

MEDICAID OPERATIONS MANUAL
TRANSMITTAL LETTER

June 14, 2004

MEMORANDUM

TO: CUSTODIANS OF MEDICAID PROGRAM MANUALS

FROM: JOHN A. LIVERATTI, CHIEF, COMPLIANCE

SUBJECT: MEDICAID OPERATIONS MANUAL CHANGES

MATERIAL TRANSMITTED

MATERIAL SUPERSEDED

DRAFT CL 2221

MTL 41/03

MANUAL 100 – MEDICAID ESTATE
RECOVERY (MER) PROGRAM

BACKGROUND AND EXPLANATIONS

Section 103.8 – Added New Language

DRAFT	CL 2221
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 103
MEDICAID OPERATIONS MANUAL	Subject: POLICY

Claims will be filed with:

- a. The court having jurisdiction over the recipient's estate pursuant to NRS 147.040; or
- b. Any individual or entity empowered with the legal ability to control, liquidate or transfer any part of the recipient's estate.

102.2 IMPOSITION OF LIENS

Liens may be imposed to protect recovery of estate assets for correctly paid Medicaid benefits when permitted by federal and state law. However, the use of lien authority requires prior notification to the known heirs and district court review. Liens may only be imposed with district court approval. The equity interest of the surviving spouse shall be considered in determining the value of the deceased recipient's interest in the property. The State must release its lien if the surviving spouse, child under 21, or disabled child seeks to engage in a bona fide sale or financial transaction involving the home.

Foreclosure action may occur only after the death of the recipient and after the death of the recipient's surviving spouse, if any, and only at a time when the recipient has no surviving child who is under 21 years of age, and the recipient has no surviving child who is blind or disabled.

In the event of incorrectly paid benefits, a lien may be imposed on both real and personal property with authority of a court judgment without regard to circumstances.

NRS 155.020 requires notice be given to the Department of Human Resources of all probate proceedings filed with the court. Any probate notices received in the district office must be faxed immediately to MER.

102.3 POSTPONING/TERMINATING MER ACTIONS

If, after the reported death of the recipient, immediate MER action is prohibited because of exception conditions, MER personnel postpone MER action until all exception conditions are no longer present. Termination of MER action will occur when all real and personal property included as part of the recipient's estate is no longer accessible.

102.4 RECEIPTING/POSTING MER COLLECTIONS

All MER collections will be received by MER personnel located at DHCFP.

In the event a MER payment is received in the district office, staff must photocopy the negotiable instrument and document: